

STATE OF TENNESSEE

Office of the Attorney General



2003 MAY 14 PM 1:00

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May 14, 2003

Hon. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

**RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT
NATURAL GAS COMPANY, INC., FOR AN ADJUSTMENT OF ITS RATES AND
CHARGES, THE APPROVAL OF THE REVISED TARIFFS AND APPROVAL OF
REVISED SERVICE REGULATIONS**
Docket No.: 03-00313

Dear Chairman Kyle:

Enclosed is an original and fourteen copies of a Petition to Intervene for filing with the Tennessee Regulatory Authority in the above-referenced matter. Please be advised that we have served copies on all parties of record. If you have any questions, kindly contact me at (615) 532-2590. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Joe Shirley".

Joe Shirley
Assistant Attorney General

Enclosures

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IN RE:

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PETITION TO INTERVENE

1. In order to represent the interests of Tennessee consumers, the Consumer Advocate is authorized by Tenn. Code Ann. § 65-4-118(c)(2)(A) to initiate a contested case and to intervene or participate in proceedings concerning public utility matters in accordance with the Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101, *et. seq.*

2. Nashville Gas Company (hereinafter "Nashville Gas") is a public utility company regulated by the Tennessee Regulatory Authority (hereinafter "TRA") pursuant to Title 65, Chapters 4 and 5, *Tennessee Code Annotated*. Nashville Gas has its principal offices at 665 Mainstream Drive, Nashville, Tennessee.

3. Nashville Gas sells and distributes natural gas to residential, commercial and industrial consumers in the State of Tennessee.

4. On April 29, 2003, Nashville Gas filed a petition seeking approval to increase the rates that it charges customers for distribution of natural gas. Nashville Gas also requests increases in service connection charges as well as other changes in service regulations.


5. If the TRA approves the petition of Nashville Gas in its present form, such action would result in a rate increase of approximately 11.9% for residential customers, 2.8% for commercial customers, 1.6% for industrial customers, and -8.6% for interruptible customers (i.e., customers with alternative fuel sources.) The dollar amount of the requested increase is approximately \$18.5 million annually, which represents a 22.4% increase in gross margin (i.e., total operating revenue less cost of gas.)


6. Based upon the Consumer Advocate's review of the testimony and documentation that Nashville Gas filed in support of its petition, the Consumer Advocate alleges that approval of the petition in its present form is not in the public interest, and that the amount of the requested rate increase is not fair, just and reasonable under all the attendant conditions and circumstances.

7. Only by participating and intervening in this proceeding can the Consumer Advocate work effectively to protect the interests of Tennessee consumers.

WHEREFORE, the Consumer Advocate and Protection Division prays that the Tennessee Regulatory Authority will: (a) convene a rate case proceeding pursuant to Tenn. Code Ann. § 65-5-203 to hear and determine whether the rate increases, changes and alterations requested by Nashville Gas Company are fair, just and reasonable; (b) grant the Consumer Advocate and Protection Division's Petition to Intervene; and (c) grant the Consumer Advocate and Protection Division and the consumers of Tennessee such other relief as may be deemed appropriate.

RESPECTFULLY SUBMITTED,


PAUL G. SUMMERS, B.P.R. #6285
Tennessee Attorney General


JOE SHIRLEY, B.P.R. #22287
Assistant Attorney General

Office of the Attorney General
Consumer Advocate and Protection Division
P.O. Box 20207
Nashville, Tennessee 37202
(615) 532-2590

Dated: May 14, 2003


CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition to Intervene was served on parties below via U.S. Mail or facsimile on May 14, 2003.

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